

CLOSED
INDUSTRIAL SEARCH COMMITTEE MEETING
MARCH 6TH, 2012

SIGN IN

**PAUL JACKSTADT
JACK JENKINS
VIRGIL KAMBARIAN
ED HAGNAUER
DON THOMPSON
WALMER SCHMIDTKE**

**GERALD WILLIAMS
DAN MCDOWELL
BRIAN KONZEN
JUDY WHITAKER
BILL DAVIS
RON SIMPSON**

ALDERMAN JACKSTADT CALLED THE MEETING TO ORDER.

**MOTION BY THOMPSON, SECOND BY SIMPSON TO GO INTO
CLOSED SESSION. MOTION CARRIED.**

**JACKSTADT STATED THAT WE WILL BE TALKING ABOUT THE
LETTER FROM MR. KONZEN ABOUT THE LAND SALE TO ARNETTE
PATTERN ABOUT SOME CHANGES THAT THEY WOULD LIKE
MADE. JACKSTADT TURNED OVER TO ATTORNEY LEO KONZEN.**

**ATTORNEY KONZEN STATED THE PROPERTY IN QUESTION IS THE
SALE OF 5 ½ ACRES AT THE GRANITE CITY INDUSTRIAL PARK TO
ARNETTE PATTERN THE COMPANY CURRENTLY OWNS LAND
THEIR. KONZEN STATED THAT THEY HAD MET WITH JOHN FERRY
AND WERE GOING TO PAY \$100,000 FOR THE LAND AND
REIMBURSE JUNEAU FOR HIS WORK. KONZEN STATED THAT IN
THE MEAN TIME THEY HAVE CHANGED THEIR MIND. KONZEN
STATED THAT THEY WOULD LIKE TO GO FROM CORNER TO
CORNER, AND HE EXPLAINED TO THEM THAT THIS WOULD NOT
WORK. KONZEN STATED THAT THEY ARE NOW RENEGOTIATING,
AND ARE INTERESTED IN OPTION #2, AND THAT THERE WOULD BE
EASEMENT ISSUE TO WORK OUT. KONZEN STATED AT THIS TIME
HE WOULD LIKE FERRY AND JUNEAU TO EXPLAIN, AND HE
WOULD ANSWER ANY QUESTION THAT ANYONE HAD.**

**FERRY STATED BASICALLY THE INFORMATION HE HAS IS FROM
INDUSTRIAL REAL-ESTATE BROKERS IN THE AREA; THE
DIFFICULTY IS THAT THERE ARE NOT MANY COMPARABLES.
FERRY STATED THAT THE LAST INDUSTRIAL PROPERTY SOLD IN
THE CITY OF GRANITE CITY WAS IN THE YEAR 2008. FERRY
STATED OTHERS THAT SOLD IN THE LAST 5-6 YEARS SENSE THEN
ARE NOT COMPARABLE TO THIS PROPERTY.**

FERRY STATED THAT FOR GREEN SPACE THE GROUND IS WORTH ABOUT \$1.00 PER SQUARE FT. FERRY STATED THAT THE CITY WOULD LIKE TO GET \$27,000 TO \$30,000 PER ACREAGE. FERRY STATED THAT WE WOULD NEED TO SELL THE REMAINING PROPERTY AT THE COST OF \$28,000 PER ACRE AND THIS DOES NOT COVER THE COST OF THE DEVELOPER OR THE COST OF THE UTILITIES WHICH ARE ESTIMATED TO BE ABOUT \$100,000 AND \$5,400 PER ACRE, SO WHEN YOU ADD THAT IN THE COST TO THE DEVELOPER THAT WE WOULD STILL HAVE TO SELL THE REMAINING ACREAGE FOR \$33,000 AN ACRE. FERRY STATED THAT THIS COMES OUT TO BE ABOUT .77CENTS PER SQ. FT AND OBVIOUSLY WE DON'T KNOW IF THIS IS COMPETITIVE FOR THE NEW OWNER. FERRY STATED THAT BASED ON THE INFO THAT HE HAS THE PROPERTY WOULD STILL BE UNDER PRICED AND COMPETITIVE.

KONZEN STATED THAT THIS IS A REDEVELOPMENT AREA AND REMEMBER THAT THE TAXES WOULD GO BACK TO THE COUNTY. KONZEN STATED THAT TAXES WOULD NOT INCREASE FOR A PERIOD OF TIME, AND THIS WOULD STILL BE VACANT LAND. KONZEN STATED THE ARNETTE PATTERN JUST WANTS TO SECURE THE LAND AND NO DEVELOPMENT IS PLANNED JUST YET. MORE DISCUSSION FROM THE MAYOR, COMPTROLLER ONEY, AND ALDERMAN KAMBARIAN ABOUT THE SALE OF THE LAND.

JUNEAU EXPLAINED #2 OPTION, THAT THERE ARE A LOT OF VARIABLES IN SELLING OF THIS LAND THAT NEEDS TO BE CONSIDERED AND HE EXPLAINED A COUPLE SCENARIOS. MORE DISCUSSION BY THE COUNCIL. QUESTION WAS ASKED BY THE MAYOR ABOUT THE RIGHT OF WAY OF THE PROPERTY. JUNEAU STATED THAT IT WOULD INVOLVE THE EASEMENTS AND HOW THEY ARE DIVIDED UP.

MOTION BY JACKSTADT, SECOND BY THOMPSON TO GIVE THE CITY AUTHORITY TO RENEGOTIATE A REDEVELOPMENT PLAN WITH ARNETTE PATTERN OVER OF TRACK #2 THAT WE HAVE HAD SUBMITTED. MOTION CARRIED.

MOTION BY DAVIS, SECOND BY SIMPSON TO COME OUT OF CLOSED SESSION. MOTION CARRIED.